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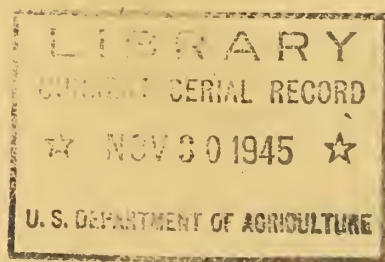
Foreign Crops and MARKETS



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MAY 1, 1944



ARGENTINA OPENS FUTURES MARKET

Trading in coarse-grain futures was resumed in Argentina on April 19 after having been suspended for over 2 years. September futures were quoted as follows on April 21: Oats 7.70 pesos (equivalent to 33-1/4 cents per bushels), barley 7.65 pesos (49-1/2 cents), and rye 6.68 pesos (50-3/8 cents).

CROP CONDITIONS IN PORTUGAL

Abundant rains in early March terminated the dry spell which had lasted over much of the country since mid-January. Grain prospects are reported to have improved materially as a result of the rainfall, with unofficial forecasts increased from 10 to 15 percent over earlier predictions.

ARGENTINA LIFTS EMBARGO ON EXPORTS OF EDIBLE VEGETABLE OILS

The Argentine Government's prohibition on exports of edible vegetable oilseeds and their corresponding oils was lifted on April 24. The prohibition was imposed on May 6, 1943, for sunflower seed and oil and on June 6, 1943, for peanuts, cottonseed, rapeseed, and their corresponding oils.

These prohibitions were imposed originally because of poor oilseed crops in 1943 and the consequent anticipated reduction in the output of edible vegetable oils. The poor crop last year was the result, in part, of the severe drought that prevailed during the late months of 1942 and the early months of 1943, and partly as a result of a reduction of about 10 percent in the total area sown to edible oilseed crops in 1942-43.

Removal of the export embargo at this time indicates that 1944 oilseed crops are not only large enough to meet all domestic requirements for edible vegetable oils but also to allow a surplus for export, either in the form of seed or oil. The decree of April 24 provides, however, that exports will be subject to export permits.

SPAIN NEGOTIATING FOR PARAGUAYAN COTTON

It is reported that the Spanish Government is negotiating with the Paraguayan Government for the purchase of the entire exportable surplus of the 1943-44 cotton crop. Paraguay's new crop is estimated at about 43,000 bales (of 478 pounds net) compared with 33,000 bales in 1942-43. The Banco Agricola will again purchase the entire crop from growers at a guaranteed price. Carry-over from the preceeding season is placed at 4,700 bales. Domestic requirements are placed at 5,500 bales.

SÃO PAULO EXPECTS RECORD COTTON CROP

Despite restrictions on the sale of cottonseed and appeals made in favor of agricultural diversification, the State of São Paulo, Brazil, this season expects a record cotton crop of 2,075,000 bales of 478 pounds, compared with a reported 1942-43 crop of 1,730,000 bales and a previous record in 1941-42 of 1,753,000 bales.

GRAINS AND GRAIN PRODUCTS . . .

Gordon P. Boals, in charge

CANADIAN GRAIN STOCKS REDUCED

Stocks of Canadian grain in all positions on March 31, 1944, were considerably below those of a year ago, though with that exception they still exceed end-of-March supplies in any other year. Stocks of the four principal grains, wheat, oats, barley, and rye, range roughly from 60 to 70 percent of their record volume at the end of March 1943. The reduction this season is attributed largely to increased exports and the heavy domestic feeding program.

Canadian wheat stocks in all positions were reported at 545 million bushels, or almost 30 percent less than the revised estimate of 762 million bushels for a year ago. Wheat stocks at the end of March 1943, as revised to 762 million bushels, reflect the downward revision of 36 million bushels in the 1942 production estimate. Most of the change involved losses in Saskatchewan due to poor storage in the fields. Commercial wheat stocks in Canada, amounting to 321 million bushels, were 25 percent less than on the same date of 1943 when they were placed at 426 million. The greatest reduction, however, was in stocks on farms, with the current supply estimated at 210 million bushels contrasted with 328 million bushels at the end of March 1943.

CANADA: Stocks of grain in all positions, March 31, 1944

POSITION	WHEAT	OATS <u>a/</u>	BARLEY	RYE
	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels
In Canada -				
On farms	210,159	217,036	85,003	2,687
Country and private terminal elevators ...	195,156	20,531	11,511	1,026
Western mills and mill elevators	5,490	689	270	38
Interior terminal elevators	10,837	143	479	<u>b/</u>
Vancouver-New Westminster elevators	11,516	185	39	1
Victoria and Prince Rupert elevators	1,461	-	-	-
Churchill elevator	1,878	-	-	-
Fort William-Port Arthur elevators	49,355	8,120	9,581	6,360
In transit-rail	16,245	6,053	2,625	307
Eastern elevators	26,542	2,500	5,834	93
Eastern mills	2,759	656	367	39
Total in Canada	531,398	255,913	115,709	10,551
Canadian grain in the United States	14,001	-	14	2,606
Total in Canada and the United States	545,399	255,913	115,723	13,157
Comparable total for 1943	762,389	393,465	167,056	21,509
Average for 1934-1943	365,252	148,627	44,752	7,102

From Dominion Bureau of Statistics, Ottawa.

a/ As reported in bushels of 34 pounds. b/ Less than 500 bushels.

Of this year's total farm stocks of wheat, 207 million bushels were in the Prairie Provinces distributed as follows: 22 million bushels in Manitoba, 117 million in Saskatchewan, and 68 million in Alberta. It is noted that despite the reduced level of farm stocks, almost 75 percent of the wheat in Canada was on farms or stored in country elevators in the west. Seed for the 1944 crop will reduce the farm holdings somewhat.

No significant changes are reported in stocks of coarse grains in commercial positions, compared with those of last year. Stocks at Fort William-Port Arthur are only slightly below their volume a year ago. Farm stocks, however, as was the case with wheat, are much lower than on the same date of 1943.

A special effort has been made during the winter period to move grain from the farms to the Lakehead, in position for shipment to the United States and overseas, with the opening of navigation on the lakes. Increased delivery quotas were made possible, and this increased the movement from farms. At mid-April a total of 1,923 delivery points were accepting the maximum of 18 bushels of wheat per authorized acre, with only 169 points still restricted to 14 bushels or less. On April 6 the Wheat Board lifted all quota restrictions on deliveries of barley and rye and established a general oats quota of 20 bushels per seeded acre. Diversion of United States' railway cars to Canada also played some part in moving grain from producing centers.

When lake navigation opened on April 8, grain in store in terminal elevators at Fort William-Port Arthur was reported at some 77 million bushels, of which wheat represented over 65 percent. On the same date of 1943, grain at the Lakehead was around 130 million bushels and was still near that figure when lake shipping commenced during the last week of April. (Though the official opening date was May 10, considerable shipping was reported before that date.)

CANADA: Stocks of grain on farms, March 31, 1934-1944

YEAR	WHEAT	OATS ^{a/}	BARLEY	RYE	SHELLED CORN
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 Bushels
1934	72,145	89,259	13,354	567	960
1935	60,460	97,569	13,006	737	1,292
1936	46,753	142,154	21,951	2,178	1,786
1937	44,231	68,079	11,195	370	973
1938	38,980	68,043	17,061	694	1,083
1939	61,220	135,424	29,009	2,732	1,000
1940	106,156	141,118	27,586	2,823	1,538
1941	170,652	137,529	29,756	4,272	1,600
1942	101,376	105,173	35,397	2,992	1,677
1943	327,725	352,140	135,039	14,929	3,481
Average	102,970	134,651	33,334	3,229	1,539
1944	210,970	217,036	85,003	2,687	1,872

From Dominion Bureau of Statistics, Ottawa. ^{a/} As reported in bushels of 34 pounds.

ARGENTINA HARVESTS RECORD RICE CROP

The 1943-44 rice harvest in Argentina is officially estimated at 6,418,000 bushels, as compared with 4,852,000 bushels last year. The production this year should be sufficient for domestic requirements, which have varied annually in recent years from 140 to 188 million pounds. About 16 years ago Argentina imported an average of 140 million pounds annually, but it has been practically self-sufficient in the past 2 years.

ECUADOR PERMITS FURTHER RICE EXPORTATION

The total amount of rice the Ecuadoran Government permitted for exportation from the 1943 crop had, by the end of February, reached 144 million pounds. The Government in May 1943 originally authorized the exportation of only 81 million pounds during the 12-month period June-May, 1943-44. This amount had been shipped by October, and exports remained at a standstill until early in 1944. Then executive decrees during January and February granted the exportation of 23 million pounds and 36 million pounds, respectively, most of it destined for Cuba and Peru. The February quota was not completely shipped by the end of the month or even in March. Rice exports during the 5 years 1938-1940 averaged 26 million pounds, but by 1943 amounted to 106 million pounds.

URUGUAY HARVESTS GOOD RICE CROP

Notwithstanding a slight reduction in the Uruguayan rice acreage during the current 1943-44 season, the crop to be harvested in April and May is expected to be 33 percent greater than that of last year. Production is forecast at 1,012,000 bushels, as against 759,000 bushels in 1942-43, according to a report issued by the Ministry of Livestock and Agriculture.

The expected yield of 79 bushels per acre this season, 10 bushels more than the average during the 5 years ended with 1942-43, is the largest ever realized in Uruguay. This high yield is second to that of Chile in the Western Hemisphere, and is considerably above the average of 49 bushels in the United States. Intensive cultivation, in addition to the procurement of sufficient gasoline for pumping, a serious problem in 1942-43, contributed to the production of the high yield this season.

The slight decrease in harvested acreage was attributed to problems arising from irrigation and the abandonment of about 900 acres due to weeds and insect damage. The rice acreage, even though it fell below that of 1942-43, was larger than in previous years.

Rice was not imported in 1943, in spite of the fact that supplies from the 1942-43 crop were below those customarily consumed, because of high prices asked for Brazilian and Chilean rice. Neither was any rice exported. With current production estimated at 30 million pounds of milled rice, 8 million above estimated average consumption, it is possible that some may be shipped to other countries. Domestic consumption of rice may increase, however as a shortage of some other foods is reported.

VEGETABLE OILS AND OILSEEDS . . .

Fred J. Rossiter, in charge

INDIAN OILSEED CONSUMPTION AT HIGH LEVEL IN 1943

Domestic trade in oilseeds, the production of which constitutes one of India's most important industries, continued at a high level during the calendar year 1943. Increased consumption, higher prices, new Government controls, and curtailed exports were the significant developments during the year.

The increased internal demand for oilseeds was a continuation of the trend that began early in the war when imports of various products were severely curtailed. Larger quantities of vegetable oils are now used in the preparation of cooking fats, in the manufacture of soap and cosmetics, and as substitutes for fuel, lighting, and lubricating purposes. Oilseed cake is also in greater demand for use as fertilizer to replace supplies that were formerly imported.

INDIA: Area of specified oilseeds, 1938-39 to 1943-44

OILSEED	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44
	1,000	1,000	1,000	1,000	<u>a/</u> 1,000	<u>a/</u> 1,000
	acres	acres	acres	acres	acres	acres
Peanuts	8,506	8,410	8,770	7,070	<u>b/</u> 7,697	8,531
Flaxseed	3,869	3,715	3,619	3,348	3,408	<u>c/</u> 2,639
Sesame seed	4,331	4,031	4,097	4,145	4,328	4,167
Castor beans	1,198	1,005	1,021	958	<u>b/</u> 1,364	1,202
Rapeseed and mustard						
seed	5,535	6,113	6,218	6,204	5,784	<u>d/</u> 3,036
Cottonseed	23,490	21,580	23,311	23,547	18,812	19,261

Compiled from official sources.

a/ Subject to revision. b/ Revised. c/ Second forecast. d/ First forecast.

The sharp rise in prices of oilseeds that began in 1942 continued into 1943, especially during the first 5 months, preceding the prohibition of futures trading in certain oilseeds on May 28, 1943. Thereafter, prices were somewhat higher in the Calcutta and Karachi areas but were lower in Bombay and Madras, the two principal markets. Speculative activity turned to vegetable oils and oil cakes, which were not included in the original ban. Speculation increased to such an extent that the Indian Government found it necessary to forbid futures trading in certain vegetable oils as well as their corresponding varieties of oil cakes.

PEANUTS India's final estimate for 1943-44 peanut production places the crop at 3,722,000 short tons from 8,531,000 acres, compared with 3,201,000 tons from 7,697,000 acres in 1942-43. The acreage increase is attributed chiefly to the high prices that prevailed prior to planting time.

At the beginning of 1943, the price of peanuts in Madras, the principal producing and marketing center, averaged \$70.00 per short ton, and in December, \$86.00. The peak of \$112.50 was reached on May 15, shortly before futures trading was prohibited.

While accurate figures for all-India peanut consumption are not available for 1943, it is believed to have been greater than that of 1942, when trade estimates ranged from 2,000,000 to 2,250,000 tons. Indications are that peanut oil is becoming increasingly popular for edible purposes. In the Madras Presidency, for example, appreciable quantities of imported coconut oil and copra were consumed formerly, but since such imports are no longer practicable and prices for domestically produced coconut oil are very high, peanut oil has taken its place. In addition to the crushing of peanuts for crude oil, there have also been important developments in the refining and hydrogenation of peanut oil. The tendency of the latter industry to expand is retarded only by the lack of suitable machinery.

The food shortage in India is responsible for the Government's decision, late in November 1943, to prohibit exports of peanuts and peanut oil, since peanuts were declared an essential article of food that would supplement the deficient diet of the country. On November 28 the Government of Bombay forbade the removal of peanut oil to any place outside the limits of the Province of Bombay, except under a license to be granted by the Director of Civil Supplies or others authorized to issue such a permit.

INDIA: Production of specified oilseeds, 1938-39 to 1943-44

OILSEED	: 1938-39	: 1939-40	: 1940-41	: 1941-42	: 1942-43	a/ 1943-44 a/
	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000
	: short tons	: short tons	: short tons	: short tons	: short tons	: short tons
	:	:	:	:	:	:
Peanuts (unshelled):	3,605	: 3,545	: 4,146	: 2,876	: b/ 3,201	: 3,722
Flaxseed	495	: 522	: 486	: 404	: 460	: c/
Sesame seed	444	: 465	: 486	: 464	: 519	: 494
Castor beans	124	: 109	: 118	: 102	: 165	: 122
Rapeseed and	:	:	:	:	:	:
mustard seed	1,029	: 1,252	: 1,235	: 1,220	: 1,169	: c/
Cottonseed d/	2,020	: 1,964	: 2,361	: 2,393	: b/ 1,822	: 1,974
	:	:	:	:	:	:

Compiled from official sources.

a/ Subject to revision. b/ Revised. c/ Not available. d/ Estimated from cotton-production figures.

FLAXSEED The second official forecast places the 1943-44 flaxseed area at 2,639,000 acres, representing a decrease of 3 percent compared with the corresponding estimate last year. It is still too early for an accurate forecast of production. The final estimate for 1942-43 is 3,408,000 acres and 460,000 short tons (16,440,000 bushels). Flaxseed and linseed oil prices fluctuated considerably during 1943 and were included in the ban on futures trading. Exports, except to the United Kingdom, are affected by the same order that applies to peanuts.

RAPSEED AND MUSTARD SEED Only the first forecast of 3,038,000 acres for 1943-44 rape and mustard seed is available at this time. The final estimate for 1942-43 is 1,189,000 short tons from 5,784,000 acres.

Bombay prices of both rape and mustard seed rose steadily from January through September; after that no quotations were available. At Calcutta the price of rapeseed soared to a new level of \$176 per short ton during September 1943 as compared with \$61 in the same month of 1942. Practically the entire output of rape and mustard seed produced in the Calcutta area is consumed locally.

CASTOR BEANS The area under castor beans in India for 1943-44 is estimated at 1,202,000 acres with a yield of 122,000 tons, decreases of 12 and 26 percent, respectively, compared with the 1942-43 crop. Castor-bean prices fluctuated, along with other oilseeds, until the futures market was closed. While export figures are not available, trade sources indicate that castor-bean purchases by the British Ministry of Food in 1943 were larger than those of 1942.

SESAME SEED Sesame seed production, amounting to 494,000 tons from 4,167,000 acres, was slightly below that of the previous year. Influenced by local demand and in sympathy with other oilseeds, sesame seed advanced from \$105 to \$123 per ton during 1943. Neither seed nor oil were affected by the ban on futures trading during last year; however, futures trading in sesame oil and oil cake has been prohibited since January 1944.

Exports of both sesame seed and oil from Bombay have not been permitted since November 1943, unless a license had previously been obtained by shippers. There were no Government controls in the Calcutta area during 1943.

COTTONSEED Indian cottonseed production of 1,974,000 tons is 8 percent greater than that of 1942-43. Prices at Bombay and Karachi were generally upward in 1943. The most notable increase was in Karachi where the price advanced from \$40 per ton in January to \$57 in December, probably due to the general demand for oilseeds and the short crop in 1942-43.

COCONUT OIL AND COPRA There were several Government measures affecting coconut oil and copra in 1943. Late in August the Government of Bombay ruled that coconut oil was not to be sold within the limits of the City of Bombay at prices higher than \$222 per short ton wholesale and \$247 retail.

Dealers are required to furnish a weekly statement to the Director of Civil Supplies specifying their stocks of copra if the quantity amounts to 15 maunds or more (about 1,235 pounds). The same regulation applies to coconut oil if stocks total 10 maunds or more (823 pounds).

According to a notice issued by the Export Trade Controller, Bombay, effective November 13, 1943, exports of coconut oil would not be permitted unless a license had previously been obtained by shippers. Exports to British Empire destinations, however, and Arab States in the Persian Gulf are permitted. Shipments of copra to all destinations are prohibited.

COTTON AND OTHER FIBERS . . .

A. W. Palmer, in charge

COTTON CROP DECLINES IN IRAQ

According to early estimates, Iraq's 1943 cotton crop will be appreciably smaller than any for the past 10 years. The decline in production is said to be due to a Governmental acreage-restriction order, and a stagnant market for cotton. Production in the 1943 season is estimated at the equivalent of 380 bales of 478 pounds, compared to an average of about 16,000 bales produced in the years 1937-38 to 1941-42.

IRAQ: Cotton acreage and production, 1932-33 to 1943-44

YEAR	ACREAGE	PRODUCTION	YEAR	ACREAGE	PRODUCTION
	Acres	Bales		Acres	Bales
1932-33	a/	300	1938-39	79,100	11,800
1933-34	a/	400	1939-40	80,000	13,500
1934-35	a/	1,800	1940-41	148,200	21,600
1935-36	a/	3,700	1941-42	225,200	17,100
1936-37	27,200	7,800	1942-43	27,800	3,700
1937-38	64,200	17,100	1943-44	27,800	900

Compiled from consular reports.

a/ Comparable data not available.

A Government decree of March 12, 1942, limited the cotton area to be planted that year to 25 percent of the 225,000 acres planted in 1941 in order to increase production of food crops and to avoid increasing the cotton surplus. Production in 1942 fell to less than 20 percent of the 1941 output, from 17,100 bales to 3,700 bales. The actual area planted to cotton declined in these years from 225,000 to 28,000 acres, the shift being attributed to the Governmental decree and to higher prices for vegetables and other food crops. Further efforts of the Iraq Government to hold down production was evidenced in another decree, announced recently, to limit cultivation of cotton to certain specified areas, designated by the Director General of Agriculture.

In 1941, the entire 1940 crop, and some stocks from the 1939 crop, totaling about 20,000 bales, were sold to Japan. Since that date, however, disposal of the cotton crops has constituted something of a problem, as there is no textile industry in the country. Arrangements were made during the past year to export cotton to Iran, where there is a sizeable textile industry, and there has been a brisk trade in cotton with that country. In fact, cotton trading became quite profitable during 1943, and it is reported that merchants imported about 11,000 bales of ginned cotton from India intending to sell this cotton to Iran.

IRAQ: Exports of cotton, 1939-40 to 1943-44

COUNTRY	1939-40	1940-41	1941-42	1942-43	1943-44
	Bales	Bales	Bales	Bales	Bales
Japan	7,389	9,422	20,252	a/	0
British India	2,112	0	406	a/	0
Germany	941	0	0	a/	0
United Kingdom	696	203	0	a/	0
Iran	0	0	0	a/	13,380
Other countries	222	286	50	a/	87
Total	11,360	9,911	20,708	5,511	13,467

Compiled from consular sources. a/ Data not available by countries.

IRAQ: Imports of cotton, 1939-40 to 1943-44

COUNTRY	1939-40	1940-41	1941-42	1942-43	1943-44
	Bales	Bales	Bales	Bales	Bales
British India	0	0	0	0	11,120
Oman	0	0	0	0	28
Other countries	a/	a/	a/	a/	0
Total	461	332	484	646	11,148

Compiled from consular reports. a/ Data not available by countries.

Following the sale of cotton to Japan in the 1941 year, the market for Iraq cotton became stagnant. This condition was reflected on cotton prices, and there was a steady decline until 1943, when trade was established with Iran. About mid-way through the 1943 calendar year, however, apprehension over Iraqi Government action to curtail exports and fear of Iranian import restrictions caused the price to decline. Neither of these two conditions was manifested, and late in the year, prices improved somewhat. During the 1943 calendar year, wholesale prices of ginned cotton in Iraq averaged about 38 dinars per 400-pound bale, the equivalent of 38.38 cents per pound.

ARGENTINE COTTON CROP ESTIMATE FORECASTS LARGER HARVEST

The first estimate of the Argentine Ministry of Agriculture places the 1943-44 cotton crop at the equivalent of 392,800 bales (of 478 pounds). Although this is somewhat less than the final estimate of the 1942-43 crop (497,600 bales), it is larger than the first estimate (316,900 bales) for the preceding year. It is significant that subsequent estimates usually increase the forecast of the total harvest. Planted acreage this season increased by about 12 percent over 1942-43, Argentine farmers seeding 995,400 acres in 1943-44, compared to 899,200 acres in the previous year.

TOBACCO . . .

J. Barnard Gibbs, in charge

SOUTHERN RHODESIA INCREASES TURKISH TOBACCO PRODUCTION; GROWERS PLAN SEPARATE ASSOCIATION

Production of Turkish-type leaf in Southern Rhodesia has increased rapidly in recent years. There have been no local buyers for the leaf, however, and growers have had difficulty in negotiating export sales. As a result of this and to establish better working relationships with the country's Department of Agriculture, growers plan to set up a Turkish Tobacco Growers Association independent of the Rhodesian Tobacco Association, according to information received in the Office of Foreign Agricultural Relations. At a recent meeting, growers appointed a committee to consider the type of organization desired and legislation necessary to insure adequate control and orderly marketing of the crop.

Under existing arrangements, the country's Department of Agriculture is authorized by the Southern Rhodesian Tobacco Marketing Act to control the acreage and marketing of Turkish-type leaf. For the 1943-44 season, the Department received 810 applications for production of Turkish-type leaf on approximately 20,200 acres, of which 737 applications representing 11,400 acres, were approved. Production on the authorized acreage is estimated at approximately 5,000,000 pounds, as compared with only 2,469,000 pounds from 5,392 acres in 1942-43 and an average production of only 903,000 pounds during the period 1937-38 through 1941-42. Former growers of Turkish-type leaf and ex-service men received priority in acreage allotments under the 1943-44 program.

HEAVY DEMAND FOR AMERICAN CIGARETTES IN SWEDEN

American cigarettes continue to be extremely popular in Sweden. Imports from the United States in 1943 amounted to about 122 million pieces, or nearly equal to the 129-million average for the pre-war years 1936-1939. Imports in 1943, however, were below demands, and the Swedish Tobacco Monopoly allocated supplies to retailers on the basis of past sales, according to a report received in the Office of Foreign Agricultural Relations.

The import trade in tobacco products has been under the control of the monopoly since July 1, 1943, and its elimination of wholesalers' profits has materially reduced prices to consumers. In January 1944 well-known American brands retailed for about 65 cents per packet of 20, as compared with prices of competitive domestic cigarettes ranging from 67 to 81 cents per packet. Although the present price differential favors sales of American cigarettes, heavy consumer demand and rationing of tobacco products have made it unnecessary for the Government to establish measures to protect domestic products.

SWISS STOCKS OF ORIENTAL LEAF AMPLE; AMERICAN LEAF SCARCE

Stocks of oriental tobacco in Switzerland at the beginning of 1944 were reported to be ample in contrast with low supplies of American leaf. Stocks of Maryland leaf were sufficient to meet only 60 percent of current requirements, and supplies

of other American types were much below manufacturers' needs. Difficulties in obtaining navicerts have restricted imports, not only of United States leaf, but also of Cuban and Brazilian leaf and tobacco products, according to information received in the Office of Foreign Agricultural Relations.

The growing of tobacco in Switzerland has been increased since the war, but manufacturers of products continue to receive most of their supplies from abroad. During the pre-war years 1935-1939 local production provided only about one-eighth of the country's 18-million-pound requirement.

SWITZERLAND: Imports of leaf tobacco, by country of origin, 1935-1939

COUNTRY OF ORIGIN :	1935 :	1936 :	1937 :	1938 :	1939
	: 1,000 pounds:	1,000 pounds:	1,000 pounds:	1,000 pounds:	1,000 pounds
United States	6,441 :	5,919 :	6,224 :	5,945 :	6,487
Netherlands Indies..:	2,417 :	2,485 :	2,714 :	2,343 :	2,297
Brazil	2,285 :	2,367 :	2,749 :	2,558 :	2,498
Greece	878 :	851 :	1,068 :	1,085 :	966
Italy	469 :	360 :	609 :	890 :	1,111
Bulgaria	500 :	448 :	403 :	327 :	336
Turkey	346 :	336 :	306 :	345 :	365
Argentina	335 :	258 :	249 :	208 :	89
Paraguay	275 :	293 :	340 :	307 :	292
Hungary	249 :	262 :	270 :	289 :	240
Other countries:	1,661 :	1,492 :	1,372 :	1,695 :	1,071
Total	15,856 :	15,071 :	16,304 :	15,992 :	15,752

Compiled from Statistik des Warenverkehrs der Schweiz.

CHILE'S 1943-44 TOBACCO CROP LARGER

Chile's 1943-44 tobacco crop is estimated by private agencies at 14,600,000 pounds, or 26 percent larger than the 1942-43 crop. This year's crop from 8,122 acres compared with the 1942-43 harvest of about 11,578,000 pounds from 6,840 acres and an average production during the years 1938-39 through 1941-42 of 15,472,000 pounds from 8,946 acres. The increase in 1943-44 acreage, which resulted in larger production, is attributed to guaranteed prices by private tobacco companies in need of larger quantities of leaf for domestic manufacture, according to information received in the Office of Foreign Agricultural Relations. Contract prices for Paraguay and Havana types of leaf from the 1943-44 crop ranged from about 5.5 cents to 6.1 United States cents per pound according to producing districts and quality.

Chile's tobacco production, centered in districts about Valparaiso and Santiago, is used almost exclusively by domestic manufacturers, and is composed largely of Paraguay, Havana, and United States flue-cured types. The Paraguay and Havana types are used principally in the manufacture of low-priced cigarettes and in cigars. Flue-cured leaf is used in high-priced cigarettes. Exports of tobacco from Chile are insignificant, and imports, chiefly quality cigar leaf from Cuba, amounted to less than 600,000 pounds in 1943.

LIVESTOCK, MEATS, AND WOOL . . .

Arthur T. Thompson, in charge

LIVESTOCK MARKETING CONDITIONS IN CANADIAN PRAIRIE PROVINCES

The new Canadian price-subsidy program for hogs marketed at inspected plants has resulted in increased interest in hog breeding in the Prairie Provinces and in much heavier marketings at inspected plants in the first 3 months of 1944 than a year earlier. Farmers in those Provinces are now advocating the establishment of fixed prices for live animals so that a satisfactory relationship may be maintained between prices of live animals and meat.

The hog price subsidies, now in effect for grade A and B1 hogs delivered at inspected plants, went into effect too late to make much difference in the spring breeding plans, although an increase has been noticed in late breedings. Fall breedings (June-November) will show the full effect of the Government hog subsidies, and slaughter supplies 6 months later (next winter and spring) should show an increase as compared with the early fall of 1944.

The revived interest in hog breeding has been apparent in the keen bidding for breeding sows at Canadian Livestock Shows late this spring. At the Brandon Show the average price paid for brood sows was \$25 to \$35 Canadian (\$22 to \$31 United States) per hundred pounds higher than last year.

Hog marketings at inspected plants have been unusually heavy so far this year. The number slaughtered under inspection in all Canada from January 1 to April 1 was 2,285,000 head, an increase of 74 percent above the same period of 1943. The three Prairie Provinces contributed 1,816,000 head, or 64 percent of the total. Marketings have also been materially larger in Ontario and Quebec.

The improvement in the quality of hogs marketed this year is noticeable. While hog carcasses graded as A in the Prairie Provinces accounted for 25.9 percent of the total, or the same percentage as last year, the percentage graded B1 amounted to 46.7 percent of the total number graded, against only 42.4 percent a year earlier.

Cattlemen in Alberta aired their grievances when they met at Lethbridge recently. Several resolutions were passed voicing discontent with the present beef and cattle market situation. Livestock men contended that although machinery has been set up by the Government to offset the loss of the profitable United States market for live cattle, the protection given Canadian cattlemen has not been satisfactory, since the Government has not purchased cattle, as it agreed to do, when live-animal prices fell below the equivalent floor level prices of beef.

Several recommendations were made to the Government as follows: (1) that the Government either purchase live cattle or permit export to the United States market when live cattle prices fall below the equivalent floor level prices for beef; (2) producer representation on the Canadian Meat Board; (3) the immediate working out and publishing of a schedule of live-animal prices related to dressed-meat ceiling prices; (4) payment of equalization fees to persons who feed the coarse grains that

they grow, as well as to growers who market their oats and barley, as is being done at present; and (5) the lifting of restrictions on small slaughterers and producers now that meat rationing has been lifted.

At the same meeting, sheepmen also requested that a schedule of live-lamb prices be established and that buyers be compelled to pay these prices to producers. This was in connection with the recent publicity given to Government negotiations for the export of lamb, which were to result in a price increase to producers of 75 cents Canadian per hundredweight on a live-weight basis.

CANADIAN CATTLE AND SHEEP INCREASE

The December livestock estimates of cattle and sheep numbers in Canada, recently released, show substantial increases compared with 1943. ^{1/} Cattle increased about 8 percent above the preceding year and sheep 10 percent. An accurate comparison with pre-war is not available, as the annual estimates have not yet been adjusted to the 1941 census. Judged from the 1941 census returns, however, annual estimates prior to the census were somewhat too high. December estimates show that there were 9-1/2 million cattle in Canada at the end of last year and over 2-2/3 million sheep.

Both cattle and sheep show the largest percentage gains in the Prairie Provinces, and in Saskatchewan in particular. The number of cattle in that Province in 1943 was 1,614,000, an increase of 18.3 percent above 1942. That Province now ranks fourth as a cattle-producing Province, Ontario, Quebec, and Alberta having larger numbers.

Milk cows represent a much larger percentage of the total number in the Eastern Provinces than in the Western Provinces, where beef cattle predominate. Milk cows in December 1943 numbered 3,953,000 in all Canada, an increase of 3 percent above 1942, and represented 42 percent of total cattle numbers compared with 43 percent in 1942. The increase in the number of cattle on farms indicates that farmers are continuing to hold back young cattle for further feeding and restocking, and it is probable that the greater numbers on farms will be reflected in marketings over the next few years.

The number of sheep on December 1, 1943, reached 2,733,000 head, which was 10 percent above 1942. As the December estimate largely represents breeding stock, it may be expected that the increase in numbers will continue into 1944. Canadian sheep farmers have responded splendidly to the Government's request to raise more sheep in order to increase domestic supplies of meat and wool. As in the case of cattle, the largest percentage increase in sheep numbers, or 27.8 percent, was in Saskatchewan. Alberta had 756,000 sheep, or by far the largest number of any Province in Canada, and an important increase of 13.4 percent was also reported for this Province. Next in importance are the Provinces of Quebec and Ontario, with 568,000 and 486,000, respectively.

^{1/} Hog numbers as of December 1, 1943 were discussed in the March 27, 1944, issue of Foreign Crops and Markets.

CANADA: Number of cattle and sheep on farms, June 1 and
December 1, 1943, with comparisons

YEAR	CATTLE		SHEEP	
	JUNE 1	DECEMBER 1	JUNE 1	DECEMBER 1
	Thousands	Thousands	Thousands	Thousands
1934	9,012	8,539	3,421	2,738
1935	8,897	8,499	3,399	2,628
1936	8,841	8,337	3,327	2,626
1937	8,840	8,080	3,340	2,674
1938	8,511	8,091	3,415	2,672
Average	8,820	8,309	3,380	2,668
1939	8,475	8,224	3,366	2,653
1940	8,565	8,316	3,452	2,689
1941 <u>a/</u>	8,799	8,605	3,550	2,824
1941 <u>b/</u>	8,511	8,249	2,862	2,254
1942	8,945	8,834	3,197	2,483
1943	9,665	9,506	3,459	2,733
	:	:	:	:

Compiled from official sources.

a/ Old series prior to 1941 census. b/ Preliminary census figures.

CANADA: Number of cattle and sheep by Provinces, December 1, 1943,
compared with 1942

PROVINCES	CATTLE		SHEEP	
	NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
	DEC. 1, 1943	OF 1942	DEC. 1, 1943	OF 1942
	1,000 head	Percent	1,000 head	Percent
	:	:	:	:
Quebec	1,765.2	108.1	568.1	104.3
Ontario	2,786.3	100.3	486.5	104.6
New Brunswick	199.2	107.2	67.3	104.0
Nova Scotia	213.5	108.0	103.7	103.8
Prince Edward Island	96.7	105.2	30.3	104.5
Total Eastern Provinces	5,060.9	103.6	1,255.9	104.3
Manitoba	875.0	109.3	215.0	112.2
Saskatchewan	1,614.0	118.3	400.8	127.8
Alberta	1,619.9	110.8	775.8	113.4
British Columbia	336.4	105.0	85.5	95.7
Total Western Provinces	4,445.3	112.6	1,477.1	115.5
Total Canada	9,506.2	107.6	2,733.0	110.1
	:	:	:	:

Compiled from official sources.

URUGUAYAN WOOL EXPORTS LARGER IN 1943-44

Uruguay exported about twice as much wool in the first 6 months of the current season (October - March) as in the same period a year ago. Much of the increase represents exports of old-clip wool sold to the United States Defense Supplies Corporation that could not be shipped in the preceding season because of the lack

of shipping space. Recent cabled reports indicate that the market is extremely active with prices firm. A considerable quantity of wool has been sold in April.

Receipts at Montevideo so far this season, through February, amounted to 96 million pounds. This was 38 percent above the same period of 1942-43 but below the large receipts for the same months of the 1938-39 to 1940-41 seasons.

As a result of the larger exports, apparent supplies for export during the remaining 6 months of the season have been reduced about 12 percent below a year earlier. Current supplies, however, are still more than twice as large as the average at this period of the season in the 5 pre-war seasons, 1934-35 to 1938-39. This is due to the fact that both the carry-over into the current season (October 1, 1943) and estimated production were much above normal. Carry-over and production totaled 196 million pounds against 183 million pounds a year ago and an average of 129 million pounds in the 5 seasons, 1934-35 to 1938-39. Domestic consumption, on a grease basis, is now estimated at 12 million pounds compared with about 5 million pounds before the war.

Exports for the 6-month period, October - March, totalled 82 million pounds and were only a little less than twice as large as in the corresponding period of 1942-43. The United States took 58 million pounds, or 92 percent of the total. About 800,000 pounds went to Brazil and a few hundred thousand pounds to Mexico, Bolivia, and Paraguay. Sweden took approximately 4 million pounds, or more than any other country except the United States.

URUGUAY: Exports of wool, by destination, October - March,
1943-44, with comparisons

COUNTRY OF DESTINATION	:	1938-39	:	1940-41	:	1941-42	:	1942-43	:	1943-44
	:	1,000	:	1,000	:	1,000	:	1,000	:	1,000
	:	pounds	:	pounds	:	pounds	:	pounds	:	pounds
Non-European	:		:		:		:		:	
United States	:	4,627	:	80,657	:	21,104	:	30,260	:	57,533
Brazil	:	91	:	-	:	-	:	738	:	816
Mexico	:	-	:	856	:	473	:	-	:	76
Bolivia	:	-	:	-	:	-	:	93	:	24
Paraguay	:	-	:	12	:	55	:	7	:	12
Other South America	:	-	:	-	:	48	:	-	:	-
Japan	:	1,280	:	5,458	:	134	:	-	:	-
Other Asia	:	-	:	168	:	8	:	-	:	-
South Africa	:	-	:	5	:	-	:	-	:	-
Total non-European	:	5,998	:	87,156	:	21,822	:	31,098	:	58,461
European	:		:		:		:		:	
United Kingdom and Ireland	:	7,077	:	-	:	-	:	-	:	-
Sweden	:	1,587	:	4,835	:	7,520	:	1,741	:	3,699
Other continental Europe ..	:	49,287	:	610	:	-	:	-	:	272
Total European	:	57,951	:	5,445	:	7,520	:	1,741	:	3,971
Total to all countries	:	63,949	:	92,601	:	29,342	:	32,839	:	62,432
	:		:		:		:		:	

Compiled from monthly reports from the United States Embassy at Montevideo.

GENERAL AND MISCELLANEOUS . . .

FOREIGN EXCHANGE

EXCHANGE RATES: Average value in New York of specified currencies,
week ended April 22, 1944 with comparisons a/

COUNTRY	MONETARY UNIT	YEAR 1943	MONTH					WEEK ENDED		
			1942	1943	1944			APRIL 1944		
			MCH.	MCH.	FEB.	MCH.	8	15	22	
			Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Argentina <u>b/</u>	Paper peso	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77
		<u>c/</u>								
Australia	Pound	322.80	321.50	322.80	322.80	322.80	322.80	322.80	322.80	322.80
Brazil <u>d/</u>	Cruzeiro	5.13	5.14	5.13	5.13	5.13	5.13	5.13	5.13	5.13
British India	Rupee	30.12	30.12	30.12	30.12	30.12	30.12	30.12	30.12	30.12
Canada <u>e/</u>	Dollar	89.98	87.67	89.92	89.59	89.33	89.57	90.09	90.16	
Colombia <u>f/</u>	Peso	57.26	57.00	57.23	57.28	57.28	57.28	57.28	57.28	57.28
Mexico	Peso	20.58	20.57	20.57	20.58	20.58	20.58	20.58	20.58	20.58
New Zealand	Pound	324.20	322.78	324.42	324.42	324.42	324.42	324.42	324.42	324.42
South Africa	Pound	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00
		<u>c/</u>								
United Kingdom	Pound	403.50	403.48	403.50	403.50	403.50	403.50	403.50	403.50	403.50
Uruguay <u>g/</u>	Peso	52.86	52.72	52.80	52.94	52.95	52.96	52.96	52.96	52.96

Federal Reserve Board.

a/ Noon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g. dairy products) to certain countries (e.g. United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free. Quotation of free rate discontinued after February 1, 1943.

d/ Free. Prior to November 1, 1942, the official designation of the Brazilian currency unit was the milreis. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreia being 5.41 cents in 1943, the value of the cruzeiro 5.41 cents in March 1944 and 5.41 cents in the week ended April 22, 1944. Quotations nominal.

e/ Free. Most transactions between Canada and the United States take place at the official buying and selling rates.

f/ Quotations nominal.

g/ Noncontrolled. Quotations nominal.

Exchange Rates: Average value in New York of Chinese, Japanese, and some European currencies during last full months for which rates were available, and current official rates

COUNTRY	UNIT	NEW YORK RATES <u>a/</u>		CURRENT
		MONTH	RATE	
			Cents	Cents
Belgium	Beiga.....	April 1940	16.89	<u>b/</u> 16.00
Denmark	Krone	March 1940	19.31	: 20.88
France	Franc	May 1940	1.85	<u>c/</u> 2.00
Germany	Reichsmark	May 1941	<u>d/</u> 39.97	: 40.00
Greece	Drachma	September 1940	<u>d/</u> 0.66	<u>b/</u> 0.67
Italy	Lira	May 1941	<u>d/</u> 5.09	: 5.26
Netherlands	Guilder	April 1940	53.08	: 53.08
Norway	Krone	March 1940	22.71	: 22.86
Portugal	Escudo	May 1941	4.00	<u>e/</u> 6.67
Spain	Peseta	May 1941	<u>d/</u> 9.13	: 9.13
Sweden	Krona	May 1941	23.84	: 23.81
Switzerland	Franc	May 1941	23.20	: 23.20
China	Yuan (Shanghai)	June 1941	<u>d/</u> 5.34	<u>f/</u> 5.31
Japan	Yen	June 1941	23.44	: 23.44

a/ Noon buying rates for cable transfers as reported by Federal Reserve Board. Last daily rate reported on April 8, 1940, for the Danish and Norwegian kroner; on May 9, 1940, for the belga and guilder; on June 15, 1940, for the French franc; on October 25, 1940, for the drachma; on June 14, 1941, for the other above-mentioned European currencies; and on July 26, 1941, for the yen and yuan (Shanghai).

b/ Based on German official rate for United States dollar.

c/ Based on German official rate for United States dollar in occupied area; in un-occupied area, official rate of 2.28 cents.

d/ Quotations nominal.

e/ Rate for currency; for checks, 4.09 cents to the escudo.

f/ Rate set August 18, 1941, by Chinese Stabilization Board.